

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

UNITED STATES OF AMERICA	:	CRIMINAL NO. _____
v.	:	DATE FILED: _____
MICHAEL D. KASPRENSKI	:	VIOLATIONS: 18 U.S.C. § 1341(mail fraud - 9 counts) 18 U.S.C. § 1343 (wire fraud - 11 counts) 18 U.S.C. § 1344 (bank fraud - 1 count) 26 U.S.C. § 7206(1)(filing false income tax returns - 3 counts) Notice of forfeiture

INDICTMENT

COUNTS ONE THROUGH NINE

THE GRAND JURY CHARGES THAT:

1. From on or about June 6, 1988 through on or about January 8, 2006, defendant MICHAEL D. KASPRENSKI was an attorney licensed to practice law in the Commonwealth of Pennsylvania and had a law office (“the Kasprenski Law Office”) located at 2310 Walbert Avenue, Suite 103, Allentown, Pennsylvania.

At all times material to this indictment:

2. Defendant MICHAEL D. KASPRENSKI was the attorney representing various decedent estates in Berks and Lehigh Counties in the Eastern District of Pennsylvania, including but not limited to the Estate of K.R., the Estate of W.S., the Estate of T.P, and the Estate of E.C.

3. Defendant MICHAEL D. KASPRENSKI was required by law to act in a fiduciary capacity in handling all financial transactions in connection with his representation of all client decedent estates.

THE SCHEME

4. From in or about October 2002 through in or about February 2006, defendant

MICHAEL D. KASPRENSKI

devised and intended to devise a scheme to defraud various individuals who were clients of defendant MICHAEL D. KASPRENSKI, and to obtain money and property by means of false and fraudulent pretenses, representations, and promises.

MANNER AND MEANS

It was part of the scheme that:

5. Defendant MICHAEL D. KASPRENSKI forged the names of the executrices of various decedent estates he represented on checks and documents which defendant KASPRENSKI submitted to financial institutions and investment firms in order to obtain money belonging to the client decedent estates but which he used for his personal use and benefit.

6. Defendant MICHAEL D. KASPRENSKI caused Morgan Stanley in Jersey City, New Jersey to mail checks to defendant MICHAEL D. KASPRENSKI in Allentown, Pennsylvania, when defendant KASPRENSKI knew that these checks were not authorized withdrawals from the decedent estates, and which funds defendant KASPRENSKI used for his own personal use and benefit.

7. Defendant MICHAEL D. KASPRENSKI caused Wachovia Bank in Charlotte, North Carolina to mail checks to defendant MICHAEL D. KASPRENSKI in Allentown, Pennsylvania, when defendant KASPRENSKI knew that these checks were not authorized withdrawals from the decedent estate, and which funds defendant KASPRENSKI used for his own personal use and benefit.

8. Defendant MICHAEL D. KASPRENSKI used and caused to be used the mail for the purpose of executing his scheme to defraud clients and to fraudulently obtain client funds in excess of \$624,876.

9. On or about the following dates, in Allentown, in the Eastern District of Pennsylvania and elsewhere, defendant

MICHAEL D. KASPRENSKI,

for the purpose of executing the scheme described above, and attempting to do so, knowingly caused to be delivered by mail according to the directions thereon, the following items:

COUNT	DATE	FROM	TO	DESCRIPTION OF ITEM
1.	10/2/02	Wachovia Bank Charlotte, NC	Michael D. Kasprenski PNC Bank (Allentown, PA) IOLTA account	\$25,876.20, check no. 47617651 payable to S.C. c/o Atty Mike Kasprenski
2.	10/18/02	Wachovia Bank Charlotte, NC	S.C. (Allentown, PA)	\$25,000, check no. 47642358, payable to S.C.

COUNT	DATE	FROM	TO	DESCRIPTION OF ITEM
3.	10/24/02	Wachovia Bank Charlotte, NC	Michael D. Kasprenski Allentown, PA	\$26,000 check, no. 47649862, payable to S.C. c/o Atty Michael Kasprenski
4.	4/10/03	Morgan Stanley Jersey City, NJ	Michael D. Kasprenski Allentown, PA	\$68,000 check, no. 003409 payable to Estate of K.R.
5.	4/22/03	Morgan Stanley Jersey City, NJ	Michael D. Kasprenski Allentown, PA	\$40,000 check, no. 003661 payable to Estate of K.R.
6.	6/16/03	Morgan Stanley Jersey City, NJ	Michael D. Kasprenski Allentown, PA	\$50,000 check, no. 903-584090 payable to Estate of K.R.
7.	10/22/03	Morgan Stanley Jersey City, NJ	Michael D. Kasprenski Allentown, PA	\$200,000 check, no. 008053 payable to Estate of K.R.
8	12/30/03	Morgan Stanley Jersey City, NJ	Michael D. Kasprenski Allentown, PA	\$55,000 check, no. 009659 payable to Estate of K.R.
9	3/10/04	Morgan Stanley Jersey City, NJ	Michael D. Kasprenski Allentown, PA	\$135,000 check, no. 002148 payable to Estate of K.R.

All in violation of Title 18, United States Code, Section 1341.

COUNTS TEN THROUGH TWENTY

THE GRAND JURY FURTHER CHARGES THAT:

1. The allegations contained in paragraphs one through eight of count one of this indictment are incorporated here.
2. Defendant MICHAEL D. KASPRENSKI operated Turtle Abstract Company, which was a title insurance company located at the same address as the Kasprenski Law Office.
3. Defendant MICHAEL D. KASPRENSKI was an authorized representative of Lawyers Title Insurance Corporation and was authorized to obtain funds in connection with various real estate transactions in order to make proper disposition of proceeds.

THE SCHEME

4. From in or about October 2002 through in or about February 2006, defendant

MICHAEL D. KASPRENSKI

devised and intended to devise a scheme to defraud various individuals who were clients of defendant MICHAEL D. KASPRENSKI, and to obtain money and property by means of false and fraudulent pretenses, representations, and promises.

MANNER AND MEANS

It was part of the scheme that:

5. Defendant MICHAEL D. KASPRENSKI forged the names of the executrices of various decedent estates he represented, on checks and documents which he submitted to financial institutions and investment firms in order to obtain money belonging to the client decedent estates but which defendant KASPRENSKI used for his personal use and benefit.

6. Defendant MICHAEL D. KASPRENSKI accepted funds during a real estate transaction from a buyer's mortgage company which defendant KASPRENSKI knew was required to be used to pay off the existing mortgage to the seller's mortgage company. Defendant KASPRENSKI failed to pay off the seller's existing mortgage as required, failed to make proper disposition of the funds, and instead used these funds for his personal use and benefit.

7. Defendant MICHAEL D. KASPRENSKI accepted funds during a real estate transaction from a buyer which defendant KASPRENSKI knew were required to be dispensed to the seller as proceeds. Defendant KASPRENSKI failed to pay the proceeds to the seller as required, failed to make proper disposition of the funds, and instead deposited the funds in his personal bank account for his own use and benefit.

8. Defendant MICHAEL D. KASPRENSKI caused client funds to be wired into his attorney Interest on Lawyers Trust Account ("IOLTA account"), which he then used for his personal use and benefit.

9. Defendant MICHAEL D. KASPRENSKI deposited client funds into his personal bank account and without client authorization caused wire transfers of those funds for his personal use and benefit.

10. Defendant MICHAEL D. KASPRENSKI obtained decedent estate client funds which he deposited into his IOLTA account, and without client authorization, used those funds for his personal use and benefit.

11. Defendant MICHAEL D. KASPRENSKI, acting as President of Turtle Abstract Company, caused two separate wire transfers from Greenpoint Mortgage Funding, Inc. in Novato, California, into his IOLTA account, in amounts of \$499,961.72 and \$84,850, for the purpose of using those funds to pay off an existing mortgage on a seller's property. Defendant KASPRENSKI failed to use those funds to pay off the seller's mortgage as required, failed to make proper disposition of the funds, and instead used the funds for his personal use and benefit.

12. Defendant MICHAEL D. KASPRENSKI caused Merrill Lynch, payable through Bank One/J.P. Morgan Chase, Columbus, Ohio, to electronically transfer funds from decedent estate clients into the IOLTA account of defendant KASPRENSKI in order to make proper disposition of funds.

13. Defendant MICHAEL D. KASPRENSKI used and caused to be used wire communications in interstate commerce, that is, interstate wire transfers of funds, for the purpose of executing his scheme to defraud clients, and to fraudulently obtain client funds in excess of \$737,911.72.

14. On or about the following dates, in Allentown, in the Eastern District of Pennsylvania and elsewhere, defendant

MICHAEL D. KASPRENSKI,

for the purpose of executing the scheme described above, caused to be transmitted by means of wire communication in interstate commerce the signals and sounds described below for each count, each transmission constituting a separate count:

COUNT	DATE	FROM	TO	DESCRIPTION OF ITEM
10.	8/31/04	Merrill Lynch (Bank One/J.P. Morgan Chase Columbus, Ohio)	Michael D. Kasprenski PNC Bank (Allentown, PA) IOLTA account	electronic transfer for settlement of \$35,000, check no. 102 payable to Estate of T.P.
11.	10/4/04	Merrill Lynch (Bank One/J.P. Morgan Chase Columbus, Ohio)	Michael D. Kasprenski PNC Bank (Allentown, PA) IOLTA account	electronic transfer for settlement of \$25,000, check no. 103 payable to Estate of T.P.
12.	10/15/04	Merrill Lynch (Bank One/J.P. Morgan Chase Columbus, Ohio)	Michael D. Kasprenski PNC Bank (Allentown, PA) IOLTA account	electronic transfer for settlement of \$20,000, check no. 104 payable to Estate of T.P.
13.	11/23/04	Merrill Lynch (Bank One/J.P. Morgan Chase Columbus, Ohio)	Michael D. Kasprenski PNC Bank (Allentown, PA) IOLTA account	electronic transfer for settlement of \$8,000, check no. 105 payable to Estate of T.P.
14.	12/10/04	Merrill Lynch (Bank One/J.P. Morgan Chase Columbus, Ohio)	Michael D. Kasprenski PNC Bank (Allentown, PA) IOLTA account	electronic transfer for settlement of \$25,000, check no. 106 payable to Estate of T.P.

COUNT	DATE	FROM	TO	DESCRIPTION OF ITEM
15.	1/31/05	Merrill Lynch (Bank One/J.P. Morgan Chase Columbus, Ohio)	Michael D. Kasprenski PNC Bank (Allentown, PA) IOLTA account	electronic transfer for settlement of \$8,000, check no. 107_payable to Estate of T.P.
16.	2/14/05	Merrill Lynch (Bank One/J.P. Morgan Chase Columbus, Ohio)	Michael D. Kasprenski PNC Bank (Allentown, PA) IOLTA account	electronic transfer for settlement of \$10,000, check no. 108 payable to Estate of T.P.
17.	3/2/05	Merrill Lynch (Bank One/J.P. Morgan Chase Columbus, Ohio)	Michael D. Kasprenski PNC Bank (Allentown, PA) IOLTA account	electronic transfer for settlement of \$16,000, check no. 109 payable to Estate of T.P.
18.	10/5/05	Greenpoint Mortgage Funding, Inc., (Novato, CA)	Michael D. Kasprenski PNC Bank (Allentown, PA) IOLTA account	\$499,961.72 wire transfer of funds
19.	10/5/05	Greenpoint Mortgage Funding, Inc., (Novato, CA)	Michael D. Kasprenski PNC Bank (Allentown, PA) IOLTA account	\$84,850.00 wire transfer of funds
20.	2/21/06	Susquehanna Patriot (Allentown, PA)	Canadian Imperial Bank of Commerce (Halifax, Nova Scotia, Canada)	\$6,100 wire transfer of funds

All in violation of Title 18, United States Code, Section 1343.

COUNT TWENTY-ONE

THE GRAND JURY FURTHER CHARGES THAT:

1. At all times relevant to this indictment, Lafayette Ambassador Bank was a financial institution, the deposits of which were insured by the Federal Deposit Insurance Corporation (FDIC), certificate number 11106-6.

2. From in or about January 11, 2006, through the present, in Allentown, in the Eastern District of Pennsylvania, defendant

MICHAEL D. KASPRENSKI

knowingly executed, and attempted to execute, a scheme to defraud Lafayette Ambassador Bank, and to obtain monies owned by and under the care, custody, and control of Lafayette Ambassador Bank by means of false and fraudulent pretenses, representations, and promises.

THE SCHEME

It was part of the scheme that:

2. On or about January 11, 2006, defendant MICHAEL D. KASPRENSKI was notified in writing by American Bank that he was overdrawn on his American Bank checking account, no. *****5470, and that if American Bank did not receive payment for the amount overdrawn by January 23, 2006, the checking account would be closed.

3. Defendant MICHAEL D. KASPRENSKI did not make payment to American Bank by January 23, 2006 as required and the checking account was closed.

4. On or about January 27, 2006, despite his knowledge that his American Bank checking account had been closed, defendant MICHAEL D. KASPRENSKI wrote a check payable to himself on the closed American Bank checking account in the amount of \$800, and cashed this check at a Lafayette Ambassador Bank.

5. On or about February 27, 2006 defendant MICHAEL D. KASPRENSKI was notified in writing by certified mail from Lafayette Ambassador Bank that the check he had cashed for \$800 on January 27, 2006 was returned due to the account being closed, and Lafayette Ambassador Bank demanded that defendant MICHAEL D. KASPRENSKI make payment in full for the \$800.

6. As of May 18, 2006, defendant MICHAEL D. KASPRENSKI had failed to make payment to Lafayette Ambassador Bank on this \$800 check written on the closed American Bank checking account.

All in violation of Title 18, United States Code, Section 1344.

COUNT TWENTY-TWO

THE GRAND JURY FURTHER CHARGES THAT:

On or about April 15, 2001, in Allentown, Pennsylvania, in the Eastern District of Pennsylvania, defendant

MICHAEL D. KASPRENSKI

willfully made and subscribed a United States income tax return, Form 1040, for the calendar year 2000, which was verified by a written declaration that it was made under the penalty of perjury and filed with the Director, Internal Revenue Service Center, in Philadelphia, Pennsylvania, which defendant MICHAEL D. KASPRENSKI did not believe to be true and correct as to every material matter, in that the return reported taxable income for himself and his spouse of approximately \$23,350, when in fact, as defendant MICHAEL D. KASPRENSKI well knew, he failed to report additional taxable income of approximately \$51,460.

In violation of Title 26, United States Code, Section 7206(1).

COUNT TWENTY-THREE

THE GRAND JURY FURTHER CHARGES THAT:

On or about October 25, 2002, in Allentown, Pennsylvania, in the Eastern District of Pennsylvania, defendant

MICHAEL D. KASPRENSKI

willfully made and subscribed a United States income tax return, Form 1040, for the calendar year 2001, which was verified by a written declaration that it was made under the penalty of perjury and filed with the Director, Internal Revenue Service Center, in Philadelphia, Pennsylvania, which defendant MICHAEL D. KASPRENSKI did not believe to be true and correct as to every material matter, in that the return reported taxable income for himself and his spouse of approximately \$39,562, when in fact, as defendant MICHAEL D. KASPRENSKI well knew, he failed to report additional taxable income of approximately \$79,807.

In violation of Title 26, United States Code, Section 7206(1).

COUNT TWENTY-FOUR

THE GRAND JURY FURTHER CHARGES THAT:

On or about October 21, 2003, in Allentown, Pennsylvania, in the Eastern District of Pennsylvania, defendant

MICHAEL D. KASPRENSKI

willfully made and subscribed a United States income tax return, Form 1040, for the calendar year 2002, which was verified by a written declaration that it was made under the penalty of perjury and filed with the Director, Internal Revenue Service Center, in Philadelphia, Pennsylvania, which defendant MICHAEL D. KASPRENSKI did not believe to be true and correct as to every material matter, in that the return reported taxable income for himself and his spouse of approximately \$5,706, when in fact, as defendant MICHAEL D. KASPRENSKI well knew, he failed to report additional taxable income of approximately \$99,363.

In violation of Title 26, United States Code, Section 7206(1).

NOTICE OF FORFEITURE

THE GRAND JURY FURTHER CHARGES THAT:

1. As a result of the violations of Title 18, United States Code, Sections 1341 and 1343, set forth in this indictment, defendant

MICHAEL D. KASPRENSKI

shall forfeit to the United States of America any property, real or personal, that constitutes or is derived from proceeds traceable to the commission of such offenses, including, but not limited to the following:

- (a) the sum of One Million Three Hundred Sixty-Two Thousand, Seven Hundred Eighty-Seven Dollars and Twenty Cents (\$1,362,787.20); and
- (b) the real estate and house located at 464 Cape St. Mary Road, Cape St. Mary, Nova Scotia, Canada.

2. If any of the property subject to forfeiture, as a result of any act or omission of the defendant:

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third party;
- (c) has been placed beyond the jurisdiction of the Court;
- (d) has been substantially diminished in value; or
- (e) has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States of America, pursuant to Title 18, United States Code, Section 981(a)(1)(C), Title 28, United States Code, Section 2461(c), incorporating Title 21, United States

Code, Section 853(p), to seek forfeiture of any other property of the defendant up to the value of the property subject to forfeiture.

All pursuant to Title 28, United States Code, Section 2461(c) and Title 18, United States Code, Section 981(a)(1)(C).

A TRUE BILL:

GRAND JURY FOREPERSON

PATRICK L. MEEHAN
United States Attorney